

INTERNAL USE ONLY

*Prep. Leg.*  
**OLC RECORD COPY**

OLC: 78-3766/1  
29 December 1978

STAT  
MEMORANDUM FOR:

[REDACTED]  
Office of General Counsel

STAT  
[REDACTED]  
Office of Finance

STAT  
[REDACTED]  
Office of Personnel

STAT  
FROM:

[REDACTED]  
Chief, Legislation Staff  
Office of Legislative Counsel

SUBJECT: Draft Legislation; "Classification and Compensation Act of 1979" (U)

1. We have received from the Office of Management and Budget a draft bill proposed by the Civil Service Commission which would significantly change the present General Schedule compensation system. The bill would eliminate the General Schedule and replace it with a Clerical and Technical Service and a Professional and Administrative Service, a move designed to lessen the variation between Federal and Non-Federal sector pay rates for similar kinds of work. (U/IUO)

2. The CIA is specifically excluded from the present classification Act [5 U.S.C. 5102(a)(1)], and the draft legislation does not purport to include us in the new compensation system. Our Agency has chosen to structure its pay system according to the General Schedule system, however, and the draft bill, which is a key component of the Administration's Civil Service reform program, is thus of considerable importance. Your offices may wish to consider whether it would be advisable for the Agency to adhere to the proposed new system if it becomes law, or whether the Agency should explore the feasibility of establishing its own compensation system. (U/IUO)

INTERNAL USE ONLY

INTERNAL USE ONLY

3. Included in the package from the Office of Management and Budget are transmittal letters to the Congress, a summary of major provisions in the draft bill, the draft bill itself, a statement of purpose and justification, and a section-by-section analysis. Please review these materials and forward any comments you may have on the specifics of the draft bill to [redacted] my staff, by COB Friday, 12 January 1979 in order that the Agency's views may be forwarded before the deadline established by the Office of Management and Budget. Considerably more time is, of course, available to study the basic question outlined above. (U/IUO)

STAT

4. My staff will monitor this legislation in the 96th Congress, and we will keep you informed of its progress. (U/IUO)

STAT

Attachments:  
As Stated

cc:  
DDA

(w/summary of major provisions and  
sectional analysis only)

IG [redacted]  
Comptroller

"  
"

Dist.:  
Orig-Addressees  
1-OLC Subject  
1-OLC Chrono  
OLC:GMC:mlg (29 Dec 1978)

INTERNAL USE ONLY